

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

W.R. GRACE & CO., et al.,

Debtors.

)
) **Chapter 11**
) **Case No. 01-1139 (JKF)**
) **(Jointly Administered)**
)
) **Related Dkt. Nos. 12022, 12379, 12896, 13019,**
) **13421, 13509, 15690, 18883, 19223, 19256, 19608,**
) **19808 and 20699**
)

**TWELFTH SUPPLEMENTAL DECLARATION UNDER
FED. R. BANKR. P. 2014 AND 5002 IN SUPPORT OF
APPLICATION FOR AN ORDER AUTHORIZING RETENTION
AND EMPLOYMENT OF ORRICK, HERRINGTON & SUTCLIFFE LLP AS
BANKRUPTCY COUNSEL TO DAVID T. AUSTERN AS
ASBESTOS PI FUTURE CLAIMANTS' REPRESENTATIVE**

I, Roger Frankel, state:

1. I am a partner in the law firm of Orrick, Herrington & Sutcliffe LLP ("Orrick"), and maintain an office for the practice of law at 1152 15th Street, N.W., Washington, D.C. 20005. I am admitted to practice law before the Bars of the District of Columbia and the State of Maryland, and am authorized to execute this Twelfth Supplemental Declaration on behalf of Orrick. Orrick is bankruptcy counsel to David T. Austern, the Asbestos PI Future Claimants' Representative appointed by the Court in the above-captioned cases (the "PI FCR"), pursuant to an Order entered on May 8, 2006, which authorizes Orrick's employment effective as of February 6, 2006.

2. On March 9, 2006, I submitted my declaration pursuant to Rules 2014 and 5002 of the Federal Rules of Bankruptcy Procedure (the "Rules") in support of the Application of the FCR seeking the entry of an Order authorizing the retention and employment of Orrick as his bankruptcy counsel (the "Application") (Dkt. No. 12022). Supplemental declarations were

submitted in support of the Application on August 1, 2006 (Dkt. No. 12896), August 21, 2006 (Dkt. No. 13019), October 18, 2006 (Dkt. No. 13421), October 27, 2006 (Dkt. No. 13509), May 18, 2007 (Dkt. No. 15690), June 9, 2008 (Dkt. No. 18883), August 4, 2008 (Dkt. No. 19223), September 11, 2008 (Dkt. No. 19256), September 25, 2008 (Dkt. No. 19608), October 20, 2008 (Dkt. No. 19808) and February 9, 2009 (Dkt. No. 20699).

3. Except as is otherwise provided below, the facts set forth in this declaration are based upon my personal knowledge, upon records maintained by Orrick in the ordinary course of its business which have been reviewed by me and/or by other partners or employees of Orrick at my direction, or upon information known by other partners or employees of Orrick and conveyed to me.

4. I make this Twelfth Supplemental Declaration out of an abundance of caution, and not because I believe the matters set forth herein are within the scope of Rules 2014 or 5002.

5. The State of California, Department of General Services is prosecuting 16 property damage claims in these chapter 11 cases. Orrick represents the State of California and certain departments and agencies thereof in matters unrelated to the Debtors and these chapter 11 cases.

6. AMB Property LP is listed as a party to the Debtors' significant executory contracts and leases in these chapter 11 cases. Orrick represents AMB Property Japan, Inc., on matters unrelated to the Debtors and these chapter 11 cases.

7. Orrick recently hired Illiana Ricci as an associate in our Rome office. Ms. Ricci previously worked as a senior associate with Kleyr, Grasso & Associates ("Kleyr") in Luxembourg. While at Kleyr, Ms. Ricci worked on matters for the Blackstone Group, which were unrelated to the Debtors or these chapter 11 cases. Blackstone Advisory Partners LP is the Debtors' financial advisor in these chapter 11 cases.

8. Orrick recently hired Neal San Diego as a paralegal in our San Francisco office. Mr. San Diego was previously employed as a legal assistant at Kirkland & Ellis, and while there, worked on matters relating to these cases. Although there is no conflict between Orrick's continuing representation of the FCR in these bankruptcy cases and Mr. San Diego's prior employment at Kirkland, out of an abundance of caution, Orrick has established an ethical wall between Mr. San Diego and the Orrick lawyers and staff working on these cases, such that he is not to work on or in any way be involved in any matter or any discussion relating to these bankruptcy proceedings. Mr. San Diego is not to be given access to any files or other information or communications relating to these bankruptcy proceedings. Further, he is not to communicate with any Orrick lawyers or staff involved in these matters, and such Orrick lawyers and staff are not to communicate with him, with respect to information he may have, if any, regarding his work while employed at Kirkland & Ellis.

9. MSD Capital LP is identified as a bank debt holder in these chapter 11 cases. Orrick currently represents MSD Capital in matters unrelated to the Debtors or these chapter 11 cases.

10. Fragomen, Del Rey, Bernsen & Loewy LLP ("Fragomen") is employed as immigration counsel to the Debtors in these chapter 11 cases. Orrick represents Fragomen on matters which are unrelated to the Debtors or these chapter 11 cases.

11. Garlock Sealing Technologies, LLC ("Garlock") has objected to confirmation of the First Amended Joint Plan of Reorganization proposed in these cases by the Debtors, the PI FCR, and others, which plan presently is under advisement before the Court. Garlock and certain affiliates (collectively, the "Garlock Debtors") filed their own chapter 11 proceedings earlier this year in the United States Bankruptcy Court for the Western District of North Carolina (the

“WDNC Court”). On September 16, 2010, the WDNC Court appointed Joseph W. Grier, III (“Mr. Grier”) to serve as the legal representative for future holders of asbestos personal injury claims against the Garlock Debtors under Section 524(g)(4)(B)(i) of the Bankruptcy Code (the “Garlock FCR”). Mr. Grier has filed an application with the WDNC Court seeking authority to retain Orrick to represent him as counsel in his capacity as the Garlock FCR in the Garlock Debtors’ cases. Orrick has agreed to represent Mr. Grier as the Garlock FCR, subject to approval of the WDNC Court.

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I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

/S/ ROGER FRANKEL
Roger Frankel

Executed on September 21, 2010